

# SEPTA | FISCAL YEAR 2023

## OPERATING BUDGET PROPOSAL HIGHLIGHTS

### FACTORS INFLUENCING REVENUE BUDGET

- **Ridership Recovery Task Force** convened to implement plans for growing ridership post-COVID
- New **SEPTA Key Advantage** pilot program launched in partnership with institutions
- **Fare Enhancements** designed to lure riders back to the system
- Aggressive efforts to grow non-fare based other revenue, such as **Advertising**

### FACTORS INFLUENCING SUBSIDY BUDGET

- Continued use of one-time, non-recurring **Federal COVID Relief Funding**, which is projected to expire in FY2024
- Ongoing use of **State & Local Subsidies** to balance the budget
- Use of **Service Stabilization Funds** to balance out-years of Five-Year Projections once federal COVID relief expires

### FACTORS INFLUENCING EXPENSE BUDGET

#### External Factors

- Excessive inflation, with budget-wide impacts such as material costs & fuel/electricity prices
- Rising insurance premiums
- Ongoing COVID-related expenses
- Increasing vacancies in budgeted headcount

#### New Investments

- Adoption of comprehensive **Information Technology (IT)** master plan
- Development of improved communication tools, such as an **upgraded website and mobile app**
- Expansion of **Human Resources** recruitment & retention efforts to address vacancies
- Creation of new **Equity & Inclusion** Division
- Significant ramp-up of support for growing **Capital Program** bolstered by increased Federal and State funding
- Expansion of “Safety, Cleaning, Ownership, Partnership & Engagement” (**SCOPE**) **Program** to support the vulnerable population on SEPTA’s system
- Launch of “**SEPTA Outreach Services**” to serve as system ambassadors
- Implementation of SEPTA’s **Efficiency & Accountability (E&A) Transformation Program**
- Continued planning efforts to support **Bus Revolution & Reimagining Regional Rail** Programs

### OPERATING REVENUE

\$ Amounts in ('000)	2021	2022	2023
	Actual	Budget	Proposal
Passenger Revenue	\$ 149,422	\$ 264,992	\$ 265,567
Shared Ride Program	5,627	9,569	9,569
Other Income	38,123	31,559	40,495
Investment Income	187	580	598
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 193,359</b>	<b>\$ 306,700</b>	<b>\$ 316,229</b>

### OPERATING SUBSIDY

\$ Amounts in ('000)	2021	2022	2023
	Actual	Budget	Proposal
Federal	\$ 472,001	\$ 364,329	\$ 422,942
State	615,673	734,663	757,324
Local	88,755	106,245	108,646
Other	5,219	4,501	5,393
<b>TOTAL SUBSIDY</b>	<b>\$ 1,181,648</b>	<b>\$ 1,209,738</b>	<b>\$ 1,294,305</b>

### OPERATING EXPENSES

\$ Amounts in ('000)	2021	2022	2023
	Actual	Budget	Proposal
Labor and Fringe Benefits	\$ 1,005,858	\$ 1,114,639	\$ 1,085,167
Materials and Services	270,590	302,396	401,298
Injury and Damage Claims	21,829	24,207	28,795
Propulsion Power	24,709	24,827	31,188
Fuel	20,919	18,968	31,626
Vehicle and Facility Rentals	7,215	7,562	8,200
Other	23,079	23,829	24,260
<b>TOTAL EXPENSES</b>	<b>\$ 1,374,199</b>	<b>\$ 1,516,438</b>	<b>\$ 1,610,534</b>

